

Ocean Shipping Reform Act

This act became effective on May 1, 1999 and affects all U.S. international shippers and carriers. The act's key features are confidential contracts and independent pricing by individual carriers. The provisions of the act are as follows:

1. Elimination of the requirement that ocean carriers file their prices with the Federal Maritime Commission (FMC). However, prices must be open to public inspection through the internet.
2. Individual ocean carriers can enter into confidential contracts with shippers. These contracts must be filed with the FMC, but only "essential terms" must be made public. The origin, destination, and price do not have to be disclosed.
3. NVOCC's can not enter into contracts as a carrier.
4. Conferences may not do any of the following
 - (a) prohibit or restrict any member of the conference from negotiating contracts with shippers
 - (b) require any member of the conference to disclose a negotiation or the contents of a shipper contract
 - (c) adopt rules affecting the right of any member of the conference to enter into a contract with a shipper or shipper association
5. Anti-trust immunity for ocean carriers to set rates jointly is retained but conferences can't restrict independent pricing by individual ocean carriers.